

DNR NEWS

Energy and Waste Management Bureau

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Contact: Jennifer Moehlmann 515-281-8518

GASOLINE PRICES DROP, THEN RISE IN DECEMBER

DES MOINES – Gasoline prices decreased 8 cents from November to an average of \$1.30 for a gallon of self-serve, regular unleaded gasoline, according to the DNR's December 15 Gas Monitors survey. Prices across the state ranged from \$1.23 to \$1.40 per gallon and are 30 cents higher than this time last year. The average price for regular unleaded with ethanol was \$1.29 per gallon. The latest data shows ethanol-blended gasoline represents 58.3 percent of the market share.

Retail conventional unleaded gasoline prices in Iowa are 2 cents below the national average of \$1.32, and 1 cent below the regional average of \$1.31 per gallon.

At the beginning of December gasoline prices dipped to their lowest level in 9-months, with pump prices averaging \$1.24 per gallon. Gasoline prices were on the decline due to record levels of imported gasoline, reduced gasoline demand and an increase in refinery production.

By mid-month, petroleum markets were heading in the opposite direction with crude and refined products registering modest price increases. An oil workers strike in Venezuela and continuing tensions with Iraq over ongoing U.N. arms inspections pushed domestic crude and gasoline prices higher.

"Gasoline prices are poised to move higher if the oil workers strike in Venezuela continues. Venezuela is a large supplier of crude and refined gasoline to U.S. markets," said David Downing, energy data analyst for the DNR. "Any further declines in gasoline inventory or import levels will push prices higher."

The average price of self-serve diesel fuel for December was \$1.45, down 1 cent from last month. Diesel fuel was \$1.21 per gallon one year ago. Diesel fuel prices have remained strong due to rising crude oil costs.

Crude oil finished trading on December 19 at \$30.19 per barrel, up \$3.48 from last month. One year ago, crude was \$19.48 per barrel. National crude oil inventory is at 283.9 million barrels, down 9.6 percent from the previous year. The DNR expects

crude oil prices to remain volatile over the next month, with prices averaging \$29 to \$32 per barrel.

Propane

The December 16 survey found the average price of propane was 87 cents per gallon. This is up 4 cents from the previous month and 3 cents (3.6 percent) above the price of propane at this time last year. By Dec. 13, U.S. propane inventory stood at 55.3 million barrels, down 3.0 million barrels (5.1 percent) from the previous week. U.S. propane inventory is 20.6 percent below last year's level at this time.

Heating Oil Prices

The December 16 survey found the average price of No.2 heating oil was \$1.07/gallon, up 1 cent from the previous week and \$0.19 above the price of heating oil at this time last year. A year ago, the average price was 88 cents per gallon. The Department expects heating oil prices to increase a few cents over the next month as heating oil continues its seasonal climb in December, responding to weather-related demand.

MOTOR FUELS SURVEY

Self-Serve	November 18	December 19	Change
Regular Unleaded	1.38	1.30	-0.08
Regular Unleaded with Ethanol	1.37	1.29	-0.08
Premium Unleaded	1.48	1.41	-0.07
Diesel	1.46	1.45	-0.01
Full-Serve	November 18	December 19	Change
Regular Unleaded	1.45	1.51	+0.06
Regular Unleaded with Ethanol	1.47	1.48	+0.01
Premium Unleaded	1.50	1.60	+0.10
Diesel	1.50	1.55	+0.05

HEATING FUELS SURVEY

	November 18	December 16	Change
Propane	0.83	0.87	+0.04
#2 Heating Oil	1.06	1.07	+0.01

AVERAGE SELF-SERVE UNLEADED PRICES IN MAJOR CITIES

	November 18	December 19	Change
Ames	1.33	1.32	-0.01
Cedar Rapids	1.30	1.24	-0.06
Council Bluffs	1.33	1.31	-0.02
Davenport	1.37	1.24	-0.13
Des Moines	1.37	1.33	-0.04
Dubuque	1.36	1.30	-0.06
Fort Dodge	1.52	1.32	-0.20
Iowa City	1.38	1.32	-0.06

Sioux City	1.40	1.32	-0.08
Waterloo	1.36	1.30	-0.06
Average Metro Price	1.36	1.29	-0.07

AVERAGE SELF-SERVE UNLEADED PRICES IN RURAL IOWA

	November 18	December 19	Change
Northeast	1.36	1.31	-0.05
Northwest	1.47	1.34	-0.13
Southeast	1.39	1.31	-0.08
Southwest	1.40	1.30	-0.10
Rural Area Average	1.40	1.31	-0.09

Wholesale Prices in Metropolitan Areas Around Iowa

Unleaded (cents per gallon)	November 7	December 12
Des Moines	90.06	78.16
Dubuque	90.67	78.69
Diesel Fuel (cents per gallon)	November 7	December 12
Des Moines	83.98	79.03
Dubuque	84.77	79.83

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